



MELBOURNE AIRPORT AUTHORITY BOARD MEETING  
**AGENDA**

June 26, 2024, at 8:30 AM  
Melbourne Orlando International Airport Board Room

**Pledge of Allegiance**

**Airport Announcements**

**Executive Director's Recognition of Excellence Award**

**Presentation**

**Item P-1 Air Service Development & Economic Impact Study Presentation from David Dague with Arthur Little.**

**Action Items**

**Item A-1 Approval of the minutes for the May 22, 2024, Regularly Scheduled Board Meeting.**

**Item A-2 Recommendation to Approve Resolution 3-24 Approving the Fiscal Year 2025 (October 1, 2024 September 30, 2025) Airport Operating and Capital Budget in the Amount of \$43,384,849.**

At the May 2024 MAA Board meeting, staff presented the fiscal year 2025 proposed budget and distributed the budget book, which contained the details of the proposed budget including the Executive Director's memorandum. Attached is a copy of Resolution 3-24, recommending approval of the budget to appropriate and allocate all revenue and expenses of the Airport for the next fiscal year that will be forwarded to the City Council for adoption after board approval.

Staff recommends approval of Resolution 3-24 in the amount of \$43,384,849, recommending the appropriation and allocation of all revenue and expenses of the Airport for fiscal year 2025, which begins October 1, 2024 and ends September 30, 2025, that will be forwarded to City Council for adoption after board approval.

**Item A-3 Recommendation to Approve Award of a Contract to Rolle, IT for Airport Managed Information Technology (IT) Services.**

In preparation of the end of the contract term with the Airport's present Managed Information Technology (IT) Service provider NetDirective Technologies dba Artemis, Staff issued a Request for Proposals (RFP) seeking competitive responses for management of the Airport's increasingly complex technological infrastructure needs. Ten (10) responsive Proposals were received. Proposals were evaluated in four categories: Qualifications and Staffing; Relevant Experience; IT Plan for MLB Airport; and Pricing.

This service is critical for Airport daily operations and support. The selected Proposer is responsible for providing a full-time, on-site IT professional available to respond to user needs, as well as management of hardware, software and phone systems.

The Selection Committee evaluated and scored Proposals as the first step and requested the top four (4) ranked Proposers to return for presentations with question-and-answer sessions. Evaluation scoring results are as follows:

*Results of First Selection Committee Evaluation of Proposals Received*

<i>Proposer</i>	<i>Ranking</i>
HB Computers, Inc.	9
ITCon, Inc.	7
Rolle, IT	3
Creative Network Innovations (CNI), Inc.	5
NetDirective Technologies, Inc. dba Artemis	1
TeamLogic IT of Melbourne and Vero Beach	6
RSM US, LLP	10
Morse Communications, Inc.	2
Networked Solutions, Inc. dba Essential Net Solutions	4
Resultant, LLC	8

*Results of Second Selection Committee Evaluation of Shortlisted Proposals*

<i>Proposer</i>	<i>Ranking</i>
Morse Communications, Inc.	2
Networked Solutions, Inc. dba Essential Net Solutions	4
NetDirective Technologies, Inc. dba Artemis	3
Rolle, IT	1

Staff entered into negotiations with the highest ranked Proposer, Rolle, IT of Melbourne, FL to negotiate an annual cost of \$250,000, with a base term of two (2) years, with two (2), two-year renewal options.

Staff recommends approval of a contract with Rolle, IT, and authorization for the Executive Director to execute said contract on behalf of the Authority.

**Item A-4 Recommendation to Authorize Staff to Select and Purchase a Dump Truck in an Amount Not-to-Exceed \$125,000.**

In Fiscal Year 2024, the Airport budgeted \$125,000 for a dump truck. Over the past year, Staff has reviewed quotes for equipment from various vehicle sources and cooperative agreements. Due to the current volatility of the vehicle market and supply chain barriers, past quote options received have been missed due to the timeframe requirement to bring to the MAA Board for approval.

Staff issued an Invitation to Bid for a dump truck in May 2024 and no bids were submitted by the due date of June 12, 2024. Since no bids were submitted, the Procurement Manual allows Staff to obtain Board approval to seek out a dump truck that meets the airport requirements and negotiate with the vendor.

Staff requests authorization for the Executive Director to select and purchase a dump truck for Airport use, in an amount not-to-exceed \$125,000 to allow Staff to act in a timely manner upon identifying a quote for this vehicle meeting the specifications of Operations needs and within the budgeted allowance.

**Item A-5 Recommendation to Increase a Purchase Order to Allen Enterprises to \$60,000.**

Allen Enterprises is a Single Source provider for the Airport, as the exclusive representative for ADB Safegate and provider for all ADB Safegate parts for the Southeast United States including Florida. These components are used in runway lights, signage, and other critical portions of the airfield. Historically, the Airport has spent annually in this range for materials and equipment.

The current Purchase Order is at \$50,000, and staff is requesting approval of an increase to this Purchase Order to \$60,000 for estimated repairs throughout the end of the Fiscal Year 2024. This estimate is in line with previous years' expenditures.

**Item A-6 Recommendation of Approval of Award of Lawn Services Maintenance Bid to Yardnique, Inc. and Cajun Communications dba Bob's Complete Landscaping and Maintenance in an Annual Amount of \$121,127.**

Staff recently issued an Invitation to Bid for Lawn Services for Airport properties to maintain certain parcels with service to begin on October 1, 2024. Bids were requested for six parcels, including terminal landscaping and bidders were invited to submit pricing for each of the six parcels. Ten (10) bidders responded to this solicitation. After a review of bid results, Yardnique, Inc. of Vero Beach, FL was identified as the lowest responsive and responsible bidder in four of the service areas, and Cajun Communications dba Bob's Complete Landscaping and Maintenance of Melbourne, FL, was identified as the lowest responsive and responsible bidder for two of the service areas.

Yardnique, Inc.'s service areas of award total \$67,187 annually and Cajun Communications dba Bob's Complete Landscaping and Maintenance's service areas of award total \$53,940 annually. The total cost of award for these sections would be \$121,127 beginning with a service period of October 2024 for a two (2) year base term, with three (3) one-year renewal options.

Staff recommends award of this Lawn Services contract to Yardnique, Inc. and Cajun Communications dba Bob's Complete Landscaping and Maintenance and authorization for the Executive Director to execute said contracts on behalf of Authority.

**Item A-7 Recommendation to Approve a Signatory Airline Use and Lease Agreement with Allegiant Air, LLC**

Allegiant Air, LLC has requested to enter into a signatory airline use and lease agreement. Additional details of this agreement can be found in the supplemental document included in your packet.

Staff recommends approval of the Signatory Airline Use and Lease Agreement with Allegiant Air, LLC and authorization for the Executive Director to execute said Agreement on behalf of the Authority.

**Item A-8 Recommendation to Approve an Aeronautical Ground Lease with Sabal Aviation, Inc.**

Sabal Aviation, Inc. (Sabal) approached airport staff regarding the construction of condominium hangars on the southside of the airport. Sabal previously built condo hangars on the northside of the airport, now known as The Landings.

The salient points of the ground lease are as follows:

- Acreage: 1.441 acres
- Term: Thirty-one (31) years including the construction period with two (2) five-year options.
- Lease Rate: The initial base rent will be \$26,363.38 per year or \$2,196.95 per month. This is based on an appraisal of the site with a rental rate of forty-two cents (\$0.42) per square foot per year. All stormwater retention will be onsite.
- Rent Adjustments: CPI adjustments will occur every five (5) years with a minimum of 2 percent and a maximum of 7 percent per year, except on the exercise of the 20<sup>th</sup> anniversary of the rent commencement date, which will require a fair market value adjustment based on an appraisal.
- Taxes and Fees: Sabal is responsible for all taxes and fees associated with the lease.

The ground lease of this property will generate revenues of approximately \$790,901.40 over the original term of the lease, not including CPI adjustments or any applicable aviation fees.

Staff recommends approval to execute an Aeronautical Ground Lease with Sabal Aviation, Inc. and authorization for the Executive Director to execute said agreement on behalf of the Authority.

**Item A-9 Recommendation to approve a Contract for the Main Terminal Roof Replacement Project to the Lowest Responsive Qualified Bidder, Roof Control Services, LLC, in the Amount of \$1,169,110.49.**

Portions of the roof of the existing main terminal were replaced in 2004 after sustain damage from the three hurricanes that passed through that year. The 20-year warranty on those portions of the roof has expired and maintenance is constantly troubleshooting leaks throughout all areas of the existing terminal.

BRPH, with its partner, Roof-Wise, surveyed the existing roof and determined that the existing roof and substrate were adequate and that a complete tear-off of the existing roof was not required. Their design of a roof-over system would allow for the existing roof to remain in place and a new protection board with cap sheet could be applied and provide a 20-year no-dollar-limit warranty.

The project was bid with 22 roofers attending the pre-bid conference. Of those roofers, 15 submitted bids. Roof Control Services, LLC of Clermont, Florida was the lowest responsive qualified bidder. The three lowest bids were:

Roof Control Services, LLC (Clermont, FL)	\$1,169,110.49
Atlantic Roofing II (Vero Beach, FL)	\$1,218,362.00
Nailed It Roofing (Vero Beach, FL)	\$1,280,604.00

This project is being funded primarily with a Bipartisan Infrastructure Law (BIL) discretionary grant. Total funding is as follows:

FAA	\$ 1,110,655
FDOT	\$ 29,228
MAA	\$ 29,228
Total	\$ 1,169,110

There is sufficient budget available in the approved capital budget to complete this project.

Staff recommends approval of the approval of a Contract for the Main Terminal Roof Replacement Project to the lowest responsive qualified bidder, Roof Control Services, LLC, in the Amount of \$1,169,110.49 and authorization for the Executive Director to execute said contract on behalf of Authority.

**Item A-10 Recommendation to Approve a Purchase Order Change Order to BRPH, Inc. under its Continuing Services Contract, for the Construction Administration Services for the Re-roof of the Existing Terminal in an Amount Not-To-Exceed \$85,264.**

BRPH, under its continuing service contract, provided design service for the roof replacement on the existing terminal, along with its partner, Roof-Wise. With the award of the construction contract, BRPH will begin the next scope of its work for construction administrative (CA) services, which includes the review of submittals and shop drawings, weekly attendance at the progress meetings, all milestone inspections, and review and acceptance of the closeout documents.

There are multiple projects that are being funded with the Bipartisan Infrastructure Law (BIL) Airport Terminal Project (ATP) grant and there is sufficient budget available within the parent project to cover this purchase order.

This project is being funded primarily with a BIL discretionary grant; total funding is as follows:

FAA	\$	81,001
FDOT	\$	2,132
MAA	\$	2,132
Total	\$	85,264

Staff recommends approval of the approval of a Purchase Order Change Order to BRPH, Inc. under its Continuing Services Contract, for the Construction Administration Services for the reroof of the existing terminal in an Amount Not-To-Exceed \$85,264.00 and authorization for the Executive Director to execute said purchase order change order on behalf of Authority.

**Item A-11 Recommendation to Approve a Change Order to KCF Site Development, LLC for Portions of Schedule A Work for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in the Amount of \$500,944.**

At the May Board meeting, KCF Site Development was awarded a contract to perform the site infrastructure improvements for Project Vista. This work included Bid Schedules B, C, and D, which included all underground utilities, road improvements off Apollo Boulevard, Taxiway S modifications, and Taxiway H reconstruction. Bid Schedule A for security fencing, demolition, and common use apron was not awarded as grants funds were not available.

As part of the agreement with Dassault Falcon Jet (DFJ), the airport secured a grant from the Florida Department of Transportation (FDOT) to assist DJF in its construction of its project for the common use infrastructure of underground utilities and taxiway pavement. Any work not covered under the grant would be the responsibility of DFJ.

The work in Bid Schedule A, except the apron portion, is work that is required to start immediately. Using the bid tab from KCF Site Development and removing the apron work, the remaining work to be completed totals \$500,944.

The Airport has adequate budget and funding for this scope of work remaining in the FDOT grant that will cover 100% of this project cost with no local match.

Staff recommends the award a Change Order to KCF Site Development, LLC for portions of Schedule A work for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in the Amount of \$500,944. and authorization for the Executive Director to execute said contract on behalf of Authority.

**Information Items**

- Item I-1 Financial Update**
- Item I-2 Operations Update**
- Item I-3 Construction Projects Update**
- Item I-4 Business Development and Marketing Update**

**Public Speakers**

**Adjournment**

*Pursuant to 286.0105, Florida Statutes, the Airport hereby advises the public that if a person decides to appeal any decision made by the Airport Authority with respect to any matter considered at its meeting or hearing, he/she will need a record of the proceedings, and that for such purpose, affected persons may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this meeting should contact the Airport (321) 723-6227 at least 48 hours prior to the meeting.*

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT**  
**Income Statement**  
**April 30, 2024**

	Year To Date Actual		\$ change	% change
	4/30/2024	4/30/2023		
Operating Revenue				
Airline Landing Fees	387,414	325,725	61,689	19%
Airline Service Fees	1,654,604	1,437,968	216,636	15%
Land & Bldg Lease Rents	6,653,118	5,850,784	802,334	14%
Terminal Rents	163,102	164,512	(1,410)	-1%
Parking Lot Fees	1,248,848	1,163,725	85,122	7%
Car Rental Concessions	958,330	996,465	(38,135)	-4%
Restaurant Concessions	199,500	160,837	38,662	24%
Mobile Home Park Rent	1,189,483	1,191,941	(2,458)	0%
T-Hangar Rentals	53,167	51,671	1,495	3%
Operating Grant Revenue	61,341	38,970	22,371	57%
Other	439,791	332,989	106,802	32%
Total Operating Revenues	13,008,697	11,715,588	1,293,109	11%
Operating Expense:				
Personnel Services	3,256,363	3,233,111	23,252	1%
Contract Services	4,592,489	4,390,986	201,503	5%
Police & Fire Services	782,275	738,590	43,685	6%
Maintenance and Operations	3,334,159	3,170,274	163,885	5%
Other	85,011	134,172	(49,161)	-37%
Total Operating Expenses	12,050,296	11,667,132	383,164	3%
Operating Income (Loss)	958,401	48,456	909,945	
Non-Operating Revenue (Expense):				
Passenger Facility Charges	860,640	720,498	140,143	19%
Customer Facility Charges	778,892	641,077	137,815	21%
CARES Grant Revenue	2,262,865	3,078,091	(815,226)	-26%
Gain (Loss) on Sale of Assets	9,197	28,459	(19,262)	-68%
Interest Income (Loss)	878,070	470,772	407,297	87%
Ad Valorem Tax Revenue	1,069,070	900,181	168,889	19%
Ad Valorem Tax Expense	(1,035,152)	(908,259)	(126,893)	14%
Interest Expense	(24,375)	(24,375)	-	0%
Total Non-Operating Revenue (Expense)	4,799,206	4,906,443	(107,237)	
Net Income (Loss) Before Depreciation*	5,757,607	4,954,899		

\* Net Income before capital contributions, capital equipment, and transfers

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT**  
**Statement of Revenues, Expenditures and Changes in Fund Net Assets**  
**April 30, 2024**

	<b>YTD Actual</b>	<b>Annual Budget</b>	<b>% of Budget</b>
<b>Operating Revenues:</b>			
Airline Landing Fees	387,414	548,700	71%
Airline Service Fees	1,654,604	2,580,095	64%
Land & Bldg Lease Rents	6,653,118	9,985,740	67%
Terminal Rents	163,102	253,683	64%
Parking Lot Fees	1,248,848	1,869,722	67%
Car Rental Concessions	958,330	1,712,402	56%
Restaurant Concessions	199,500	800,000	25%
Mobile Home Park Rent	1,189,483	2,884,990	41%
T-Hangar Rentals	53,167	-	#DIV/0!
Operating Grant Revenue	61,341	66,000	93%
Other	439,791	811,493	54%
<b>Total Operating Revenues</b>	<b>13,008,697</b>	<b>21,512,825</b>	<b>60%</b>
<b>Operating Expense:</b>			
Personnel Services	3,256,363	6,734,923	48%
Contract Services	4,592,489	9,183,957	50%
Police & Fire Services	782,275	1,375,676	57%
Maintenance and Operations	3,334,159	7,818,561	43%
Other	85,011	300,000	28%
<b>Total Operating Expenses</b>	<b>12,050,296</b>	<b>25,413,117</b>	<b>47%</b>
<b>Operating Income (Loss)</b>	<b>958,401</b>	<b>(3,900,292)</b>	
<b><u>Non-Operating Revenue (Expense):</u></b>			
Passenger Facility Charges	860,640	1,577,117	55%
Customer Facility Charges	778,892	1,325,101	59%
CARES Grant Revenue	2,262,865	2,262,865	100%
Gain (Loss) on Sale of Assets	9,197	2,328	395%
Interest Income (Loss)	878,070	796,201	110%
Ad Valorem Tax Revenue	1,069,070	2,042,116	52%
Ad Valorem Tax Expense	(1,035,152)	(2,092,604)	49%
Interest Expense	(24,375)	(312,500)	8%
<b>Total Non-Operating Revenue (Expense)</b>	<b>4,799,206</b>	<b>5,600,624</b>	
<b>Net Income (Loss) before</b>			
Depreciation, Transfers, and Capital Contributions	5,757,607	1,700,332	
<b>Depreciation Expense</b>	<b>-</b>	<b>-</b>	
Machinery and Equipment	(341,639)	(754,000)	45%
FAA Equipment Grant	-	-	#DIV/0!
Intra Transfer to Airport Capital	-	(2,154,365)	0%
<b>Net Income (Loss) After Transfers</b>	<b>5,415,968</b>	<b>(1,208,033)</b>	

**Melbourne Orlando International Airport**  
**Top 10 Operating Revenues**  
**4/30/2024**

<b>Rank</b>	<b>Description</b>	<b>YTD FY 2024</b>	<b>FY 24 % of Total Rev</b>	<b>YTD FY 2023</b>	<b>FY 23 % of Total Rev</b>	<b>\$ Change</b>	<b>% Change</b>	
1	Airfield Facilities Rental	4,091,149	31%	3,377,947	29%	713,202	21%	A
2	Commercial Business Center Rent	1,893,472	15%	1,822,972	16%	70,500	4%	
3	Parking Revenue	1,248,848	10%	1,163,725	10%	85,123	7%	B
4	Tropical Haven Revenue	1,189,483	9%	1,191,941	10%	(2,458)	0%	
5	Ground Handling Revenue	1,103,170	8%	948,751	8%	154,419	16%	C
6	Car Rental Concession	958,330	7%	996,465	9%	(38,135)	-4%	D
7	Terminal Rent-Airline	583,402	4%	521,390	4%	62,012	12%	E
8	Hangar Rent	501,118	4%	483,739	4%	17,379	4%	
9	Landing Fees	387,414	3%	325,725	3%	61,689	19%	E
10	Terminal Concessions	199,500	2%	160,837	1%	38,663	24%	
<b>Total Top 10 Operating Revenue</b>		<b>12,155,886</b>	<b>93%</b>	<b>10,993,492</b>	<b>94%</b>	<b>1,162,394</b>		
<b>Other Operating Revenue</b>		<b>852,811</b>	<b>7%</b>	<b>722,096</b>	<b>6%</b>	<b>130,715</b>	<b>18%</b>	
<b>Total Operating Revenue</b>		<b>13,008,697</b>	<b>100%</b>	<b>11,715,588</b>	<b>100%</b>	<b>1,293,109</b>	<b>11%</b>	

A Increase is primarily the result of an option for property that was executed in Feb 2024 for airport property, the airport received almost \$600k for the option on undeveloped property-a new revenue source for FY 24. The remaining increase is due to normal CPI adjustments plus one tenant's rent was higher on a parcel that has a multi-year rent phase in period.

B Parking is higher due to the impact of moving to a single tiered rate in all public parking lots in January 2023 (rate increased for all lots from \$13/day to \$14/day rather than having different maximum rates for long term and short term lots). Parking layovers (overnight parkers) were basically flat through the period reviewed.

C Revenue increase is due primarily to increase in activity levels coupled with a 5% rate adjustment that went into effect on 10/1/23 coupled with the fact that some airlines are rolling off the incentive plan so they are paying airport fees.

D Revenue decline is due to a reduction in the price car rental companies charge (MLB receives 10% of the gross revenues). During the pandemic, there was a shortage of cars that resulted in the escalation of prices charged by the rental car companies. As the supply of vehicles available for rent increases, the average price charged to end users has declined so the applicable fees remitted to the airport have had a corresponding decrease.

E Revenue is higher due to increase in activity level, such as gate use fees, as there was no rate adjustment for terminal rent or landing fees. In addition, the incentive periods ended on for some airlines on certain routes in FY 24 so they are now paying airport fees.



**Melbourne Orlando International Airport**  
**Top 10 Operating Expenses**  
**4/30/2024**

Rank	Description	YTD FY 2024	FY 24 % Operating Expense	YTD FY 2023	FY 23 % Operating Expense	\$ change	% change
1	Personnel	3,256,363	27%	3,233,111	28%	23,252	1%
2	Other Contract Services	3,256,191	27%	3,166,987	27%	89,204	3%
3	Fire Services	776,417	6%	719,025	6%	57,392	8%
4	Contractual Employee	706,127	6%	623,523	5%	82,604	13% A
5	Electric	475,033	4%	460,186	4%	14,847	3%
6	Consulting Fees	331,465	3%	300,146	3%	31,319	10%
7	Risk Management	275,165	2%	266,652	2%	8,513	3%
8	Cable TV Expense	240,707	2%	218,981	2%	21,726	10%
9	Landscaping/Irrigation Expense	203,086	2%	153,623	1%	49,463	32% B
10	R&M-Building	190,621	2%	146,266	1%	44,355	30% C
Total Top 10 Operating Expense		9,711,175	81%	9,288,500	80%		
Other Operating Expense		2,339,121	19%	2,378,632	20%	(39,511)	-2%
Total Operating Expense		12,050,296	100%	11,667,132	100%	383,164	3%

A Increase is due to increased custodial and maintenance staffing expense. Management is working to reduce temp labor costs to bring costs in line with prior year.

B Increase is due to new property that is being maintained by an outside landscaping company. This landscaping was the result of the St. Michaels Place road extension, the property was previously undeveloped and was not mowed/maintained. The Airport also hired the landscaper to remove several trees near the terminal entry road.

C Expenses in this account vary, some of the major R&M building expenses this year include: Tropical Haven water leak repair (\$10,600); various electrical repairs (\$30,729); water leak cleanup tenant building (\$26,152); elevator repair (\$17,506); tenant loading dock repair (\$30,720); plumbing repairs (\$10,111).

**Melbourne Orlando Int'l Airport**  
**Cash Flow Projection**  
**6/4/2024**

	May-24	June-24	July-24	August-24	September-24	October-24	November-24	December-24	January-25	February-25	March-25	April-25
Beginning Cash/Investment Balance	\$ 36,056,992	\$ 34,316,842	\$ 34,253,525	\$ 35,414,740	\$ 31,982,702	\$ 29,784,348	\$ 30,211,765	\$ 26,736,329	\$ 26,725,330	\$ 30,344,259	\$ 30,586,925	\$ 30,805,515
Operating Revenue	1,722,929	1,722,929	1,722,929	1,722,929	1,722,929	1,948,019	1,948,019	1,948,019	2,853,114	1,948,019	1,948,019	1,948,019
Less: Prepaid Rent Recorded as Deferred Rever	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)
Plus: Annual Land Option Revenue									212,355		578,148	
Plus: Monthly Collections Ad Valorem Tax	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988
Operating Expense:												
Liability Insurance		(20,000)	(92,051)									
Personnel	(555,098)	(555,098)	(555,098)	(555,098)	(555,098)	(555,098)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)
TUI Marketing Incentive Payment		(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(36,415)					
Debt Payment (Interest)	(146,750)						(128,700)					
Maintenance and Operations Expense	(1,406,991)	(1,406,991)	(1,406,991)	(1,406,991)	(1,406,991)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)
Ad Valorem Tax Payment							(2,707,599)					
<b>Net Increase (Decrease) in Cash Flow from</b>	<b>(279,194)</b>	<b>(277,444)</b>	<b>(349,495)</b>	<b>(257,444)</b>	<b>(257,444)</b>	<b>34,714</b>	<b>(2,717,589)</b>	<b>155,125</b>	<b>1,272,575</b>	<b>155,125</b>	<b>733,273</b>	<b>155,125</b>
Total Capital Outlay	(1,054,949)	(1,803,211)	(1,714,585)	(4,531,536)	(3,212,222)	(2,750,000)	(2,800,000)	(2,070,000)	(1,850,000)	(1,575,220)	(1,363,255)	(555,214)
Principal Payment-Outstanding Debt	(1,800,000)											
Total Capital Grant Revenue	1,083,278	1,730,648	2,917,755	1,062,543	1,000,000	2,941,119	1,876,496	1,750,000	4,043,750	1,500,000	658,340	3,337,591
PFC Collections (Reimbursement of Eligible Co	168,848	155,792	167,123	159,981	147,435	106,561	87,569	81,341	80,668	86,038	100,560	157,587
CFC Collections	141,867	130,897	140,417	134,417	123,876	95,024	78,088	72,535	71,935	76,723	89,672	140,526
Net Increase (Decrease) in Cash From Cap	<b>(1,460,957)</b>	<b>214,126</b>	<b>1,510,710</b>	<b>(3,174,594)</b>	<b>(1,940,911)</b>	<b>392,703</b>	<b>(757,847)</b>	<b>(166,124)</b>	<b>2,346,353</b>	<b>87,541</b>	<b>(514,683)</b>	<b>3,080,491</b>
Beginning Cash/Investments	36,056,992	34,316,842	34,253,525	35,414,740	31,982,702	29,784,348	30,211,765	26,736,329	26,725,330	30,344,259	30,586,925	30,805,515
<b>Ending Cash/Investments</b>	<b>34,316,842</b>	<b>34,253,525</b>	<b>35,414,740</b>	<b>31,982,702</b>	<b>29,784,348</b>	<b>30,211,765</b>	<b>26,736,329</b>	<b>26,725,330</b>	<b>30,344,259</b>	<b>30,586,925</b>	<b>30,805,515</b>	<b>34,041,131</b>

**Melbourne Orlando Int'l Airport**  
**Cash Flow Projection - Capital Exp and Grant Revenue**  
**6/4/2024**

Capital Project Expenditures	Total Cost	Prior Expend	May-24	June-24	July-24	August-24	September-24	October-24	November-24	December-24	January-25	February-25	March-25	April-25
Term Upgrade-Restrooms Gate Belt etc	5,263,158	(877,000)	(160,938)	(350,000)	(350,000)	(500,000)	(600,000)	(600,000)	(750,000)	(400,000)	(400,000)	(275,220)		
Term Upgrade-Fire Sprinkler/Plumbing	5,959,412	(596,157)	-	(200,000)	(200,000)	(250,000)	(500,000)	(750,000)	(750,000)	(750,000)	(600,000)	(500,000)	(863,255)	
<i>Terminal Exp PH2-Int'l PBB (Gate 9)</i>	<i>4,500,000</i>	<i>(4,186,587)</i>	<i>(137,541)</i>											
Terminal Exp-Public Space (Haskell)	52,264,894	(50,130,131)		(173,326)		(1,961,437)								
In Line Baggage System-Design	1,024,944	(1,024,918)	-	-										
<b>Northside Expansion</b>	11,948,523													
<b>Northside Exp-T/W M Ext</b>	3,930,000	(424,692)	(6,545)	(337,984)	(350,000)	(350,000)	(350,000)	(400,000)	(400,000)	(350,000)	(350,000)			
<i>Northside Exp-Taxiway C Rehab</i>	<i>3,060,405</i>	<i>(2,128,512)</i>	<i>(145,025)</i>											
Project Vista Site Improvements	6,600,000	(1,661,816)	(42,970)	(350,000)	(350,000)	(300,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(395,214)
Taxiway A Rehab	28,937,300	(317,552)	(496,958)	(250,000)	(250,000)	(127,099)								
ATCT Roof/Bldg Imp/Remodel	418,105	(217,032)	(59,172)	(141,901)										
Equipment Purchases	754,000	(341,639)	(5,800)		(114,585)	(43,000)	(262,222)			(70,000)		(300,000)		(160,000)
T-Hangars Phase 1	3,000,000				(100,000)	(1,000,000)	(1,000,000)	(500,000)	(400,000)					
<b>Total Capital Outlay</b>			(1,054,949)	(1,803,211)	(1,714,585)	(4,531,536)	(3,212,222)	(2,750,000)	(2,800,000)	(2,070,000)	(1,850,000)	(1,575,220)	(1,363,255)	(555,214)
<b>Grant Revenue</b>														
FDOT DRA-Ramp Reimb (\$5,902,919)		4,415,100			1,071,700			416,119						
FAA Grant 59 Restrooms/Gate/Belt/etc	5,000,000			986,041		665,000		1,045,000			1,662,500		641,459	
FDOT Restrooms/Gate/Belt/Flooring/etc	131,000			25,948		17,500		27,500			43,750		16,881	
FAA-Fire Sprinklers-Grnt 60	5,363,470	180,000			554,541			855,000			2,025,000			1,748,929
FDOT Fire Sprinklers	297,971	10,000			39,308			47,500			112,500			88,663
<i>FAA BIL AIG Gate 9-Grnt 62</i>	<i>4,050,000</i>	<i>3,717,470</i>	<i>174,245</i>											
TSA OTA-In Line Baggage Sys Design	711,496	640,316			71,146									
<b>NORTHSIDE EXPANSION GRANTS</b>														
<b>FDOT (T/W M Realignment/Ext)</b>	6,815,402	102,801		286,377		380,043			1,050,000			1,500,000		
<i>FDEO (InfDev &amp; T/W C)</i>	<i>3,922,132</i>	<i>2,422,713</i>	<i>909,033</i>	<i>432,281</i>										
FDOT-Project Vista Grant	6,600,000	1,535,011			169,775		1,000,000			1,500,000				1,500,000
FDOT FY 23 T Hangar Grant	1,500,000							550,000	500,000	250,000	200,000			
FAA Taxiway A Rehab	1,267,370	-			958,059				309,311					
FDOT Taxiway A Rehab	70,410	-			53,226				17,185					
<b>Total Grant Revenue</b>			1,083,278	1,730,648	2,917,755	1,062,543	1,000,000	2,941,119	1,876,496	1,750,000	4,043,750	1,500,000	658,340	3,337,591

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT (MLB) MONTHLY ACTIVITY REPORT  
MAY 2024**

	2024	2023	MO CHANGE (%)	2024 YTD	2023 YTD	YTD CHANGE (%)
<b>PASSENGERS</b>						
Revenue PAX - Domestic						
Enplaned	23,449	22,336	5.0%	117,234	110,165	6.4%
Deplaned	22,919	21,494	6.6%	115,520	106,780	8.2%
<b>Total Revenue PAX - Domestic</b>	<b>46,368</b>	<b>43,830</b>	<b>5.8%</b>	<b>232,754</b>	<b>216,945</b>	<b>7.3%</b>
Revenue PAX - Int'l						
Enplaned	9,352	14,310	-34.6%	16,449	20,320	-19.1%
Deplaned	13,173	18,857	-30.1%	23,116	27,605	-16.3%
<b>Total Revenue PAX - Int'l</b>	<b>22,525</b>	<b>33,167</b>	<b>-32.1%</b>	<b>39,565</b>	<b>47,925</b>	<b>-17.4%</b>
Non-Revenue PAX						
Enplaned	648	785	-17.5%	3,367	4,061	-17.1%
Deplaned	662	776	-14.7%	3,426	4,040	-15.2%
<b>Total Non-Revenue PAX</b>	<b>1,310</b>	<b>1,561</b>	<b>-16.1%</b>	<b>6,793</b>	<b>8,101</b>	<b>-16.1%</b>
<b>Total PASSENGERS</b>	<b>70,203</b>	<b>78,558</b>	<b>-10.6%</b>	<b>279,112</b>	<b>272,971</b>	<b>2.2%</b>
<b>AIRCRAFT OPERATIONS</b>						
Air Carrier	590	607	-2.8%	2,741	2,664	2.9%
Air Taxi	149	178	-16.3%	810	807	0.4%
General Aviation - Itinerant	10,912	10,969	-0.5%	52,463	46,483	12.9%
General Aviation - Local	2,255	5,580	-59.6%	11,012	24,969	-55.9%
Military	36	24	50.0%	428	347	23.3%
<b>Total OPERATIONS</b>	<b>13,942</b>	<b>17,358</b>	<b>-19.7%</b>	<b>67,454</b>	<b>75,270</b>	<b>-10.4%</b>

**RESOLUTION NO. 3-24**

**A RESOLUTION OF THE CITY OF MELBOURNE AIRPORT AUTHORITY, BREVARD COUNTY, FLORIDA, MAKING APPROPRIATIONS FOR THE PAYMENT OF OPERATING EXPENSES, AND CAPITAL OUTLAY OF THE AIRPORT FOR FISCAL YEAR 2025 WHICH BEGINS OCTOBER 1, 2024, AND ENDS SEPTEMBER 30, 2025**

WHEREAS, under the provision of City of Melbourne Code of Ordinances, Section 6-101, the Airport Authority is required annually to prepare and adopt by Resolution a detailed Budget of the estimated income and expenditures for operation and maintenance of the Airport facilities and infrastructure during the succeeding fiscal year, and

WHEREAS, on June 26, 2024, at a Regular Meeting of the Airport Authority, the Executive Director presented his recommended Budget for review and consideration of the Authority.

BE IT RESOLVED BY THE CITY OF MELBOURNE AIRPORT AUTHORITY, MELBOURNE, BREVARD COUNTY, FLORIDA:

SECTION 1: The combined operating and capital projects budget for the fiscal year 2025 is \$43,384,849.

SECTION 2: This resolution shall become effective immediately upon its adoption in accordance with the Charter of the City of Melbourne.

SECTION 3: This resolution was duly adopted at a regular meeting of the Melbourne Airport Authority on the 26<sup>th</sup> Day of June 2024.

**Operating Fund Budget**

Revenues

Operating Revenues	\$ 23,589,161
Interest Income	2,640,110
Passenger Facility Charges	1,419,771
Customer Facility Charges	1,266,057
Appropriation From Prior Year Surplus	1,449,750
<b>Total Revenues</b>	<b><u><u>\$ 30,364,849</u></u></b>

Expenses

Personnel Expense	\$ 6,716,245
Operating Expenses	18,062,602
City Allocations	2,260,002
Machinery and Equipment	806,000
Intra to Airport Capital Reserve	-
Intra to Airport CIP	2,520,000
<b>Total Expenses</b>	<b><u><u>\$ 30,364,849</u></u></b>

**Capital Projects Fund Budget**

**Revenues**

FAA Grants	\$ 5,500,000
State Grants	5,000,000
Airport Funds (Intra-in from Fund 860)	<u>2,520,000</u>
Sub total	13,020,000

Capitalized Maintenance -

**Total Capital Projects Revenue \$ 13,020,000**

**Expenditures**

Improvements Other than Buildings \$ 13,020,000

**Total Capital Projects Expenditures \$ 13,020,000**

**Summary of Operating and Capital Project Budgets**

Operating Fund Budget \$ 30,364,849  
Capital Projects Fund Budget \$ 13,020,000

**Total Budget \$ 43,384,849**

SECTION 4: This Resolution, together with the Melbourne Orlando International Airport Budget, is in such form and contains such content that it substantially meets the requirements of the City Charter and is hereby submitted to the Melbourne Airport Authority for approval.

SECTION 5: The various revenues and expenditures are appropriated in accordance with the above schedule and subject to the approval of City Council in its final form.

SECTION 6: This Resolution was duly passed at a Regular Meeting of the City of Melbourne Airport Authority on the 26<sup>th</sup> day of June 2024.

BY: \_\_\_\_\_  
William C. Potter, Chairman  
Melbourne Airport Authority

ATTEST:

\_\_\_\_\_  
Greg Donovan, A.A.E.  
Executive Director



MELBOURNE AIRPORT AUTHORITY BOARD

Minutes May 22, 2024

Board Meeting Airport Board Room

In attendance: Mr. William C. Potter, Chairman  
The Honorable Mark LaRusso, Councilmember  
Mr. Brent Peoples, Member  
Mr. Scott Mikuen, Member  
Mr. Michael Fischer, Member  
Mr. Cliff Repperger, Attorney  
Mr. Greg Donovan, A.A.E., Executive Director  
Mr. Mark Busalacchi, Director of Business Development  
Ms. Melissa Naughton, C.M., ACE, Assistant Director of Business Development  
Mr. Mike O'Dell, C.P.A., Director of Finance and Administration  
Mr. Cliff Graham, C.M., Director of Operations and Maintenance  
Mr. David Perley, A.I.C., Director of Capital Improvements

Absent: The Honorable Tim Thomas, Vice Chairman, Councilmember  
The Honorable Paul Alfrey, Mayor  
Mr. Adam Bird, Attorney  
Ms. Renee Purden, Chief of Police/Director of Public Safety

**Pledge of Allegiance**

**Airport Announcements by Executive Director Greg Donovan**

MLB hosted the Melbourne Regional Chamber of Commerce Board Meeting on May 8, 2024.

Congratulations to the following employees for earning the following accreditations:

Kayla Krause, Accountant, ACE Airport Finance Program Certification.

Melissa Naughton, CM., ACE, Assistant Director of Business Development, ACE Planning and Environmental Certification.

Brendon Cooper, Operations Officer, CM accreditation.

Congratulations to Ed Bexfield promotion from Operations Utility Specialist to Equipment Operator I.

Passenger Activity Report. Total passengers year-to-date is 208,909, which is an 7.5 percent increase. April total passengers were 63,790, which is 5.8 percent increase over April 2023.

Mr. Donovan explained in last month's board meeting, Mr. Potter had inquired about the reduction of local general aviation operations and stated after reviewing a few things, staff determined that due to the weekly closures of north runway 9L-27R to allow crane work at the DFJ project site on Apollo Boulevard, the Airport has re-routed aircraft to different runways and has not been able to facilitate touch and go activity. The general aviation number reflects touch and go activity and these aircraft are going to other local Airports for their touch and go activity. This runway closure is temporarily to allow for the construction work taking place at the DFJ project site.

### **Executive Director's Recognition of Excellence Award**

Congratulations to Travis McNeely, Airport Electrician, on receiving this month's award.

### **Action Items**

#### **Item A-1 Approval of the minutes for the April 24, 2024, Regularly Scheduled Board Meeting.**

Approval of the April 24, 2024, board meeting minutes. A motion was made by Mr. Peoples for approval of the minutes, seconded by Mr. Mikuen. Motion passed unanimously.

#### **Item A-2 Recommendation to Approve Resolution 2-24 to Amend Florida Department of Transportation Public Transportation Grant Agreement to Fund Certain Improvements for the Taxiway "A" Rehabilitation Project to increase the Grant by \$1,500,000.**

Mr. Donovan explained Taxiway "A" is going to be a very extensive and expensive project and at this time staff is working on obtaining funding through Federal Aviation Administration (FAA) and Florida Department of Transportation (FDOT). FDOT has awarded the Airport an additional \$1.5 million to cover FDOT's share of the construction phase and this grant provides for 50 percent of the construction cost for the non-Federal Aviation Administration funded portion of the project.

Mr. Peoples inquired what would be the Airport's approximate cost for this project. Mr. Donovan stated the Airport is working on getting a cost and expecting the cost to be somewhere around \$27 million for this work. Mr. Donovan stated the cost is usually split at 90 percent federal, 5 percent state and 5 percent Airport.

Mr. Mikuen stated the Airport is confident they will receive FAA funding for this project. Mr. Donovan stated that Congress passed a five-year authorization of the AIP program and FAA funding. The Airport has had discussions with FAA regarding this project and are very confident we will receive funding. Mr. Mikuen inquired if the Airport has an estimated time frame for the FAA to make its final determination. Mr. Donovan stated the Airport must submit hard numbers for FAA to review and sometime in the next few months, the Airport should receive a response.

A motion was made by Mr. LaRusso to approve Resolution 2-24 to amend Florida Department of Transportation Public Transportation Grant Agreement to fund certain improvements for the Taxiway "A" Rehabilitation Project to increase the Grant by \$1,500,000, seconded by Mr. Peoples. Motion passed unanimously.

#### **Item A-3 Recommendation to Approve Renewal of Airport Liability Insurance Coverage Policy in the Amount Not-To-Exceed \$92,051.**

Mr. Donovan explained the Airport's annual liability insurance policy expires on July 14, 2024. Rather than obtain proposals from other aviation insurers, Arthur J. Gallagher Risk Management Services, Inc. negotiated with the existing insurer, National Union Fire Insurance Company, to obtain the best price with adequate coverage. Gallagher negotiated a 2.9 percent reduction; however, the growth in passenger traffic resulted in a 9 percent premium increase. This quote also includes a liability limit of \$200 million and a deductible of \$50,000.

Mr. Mikuen mentioned the amount quoted is quite reasonable and recommends that the Airport work with Gallagher to make sure the terms and conditions of coverage are adequate.

A motion was made by Mr. Peoples to approve Renewal of Airport Liability Insurance Coverage Policy in the amount not-to-exceed \$92,051, seconded by Mr. Fischer. Motion passed unanimously.



**Item A-4 Recommendation to Increase a Purchase Order for Environmental Science Associates Corporation to the Amount of \$201,722.**

Mr. Donovan explained as part of the land release process for the sale of 53.852 acres to Adelon Real Estate Manager, LLC for the Lakoona Beach project, the Federal Aviation Administration (FAA) has given the Airport a conditional approval to release the land but has requested that the Airport conduct an environmental assessment. The Airport engaged Environmental Science Associates Corporation (ESA) to conduct the requested assessment. The initial purchase order was issued to ESA and this increase to its purchase order will allow ESA to commence the EA process and provide the information to the FAA. The environmental assessment is not just specific to this project, it is a necessary step for the release of the land and required under the National Environmental Policy Act of 1969 (NEPA). The Airport has sufficient budget available to cover this expenditure.

Mr. Fischer inquired if the purchaser could still back out of the project through the due diligence period if the Airport spends this money for the EA. Mr. Donovan replied yes. Mr. Fischer stated if the money is spent, the Airport would still have to do the assessment even if the property was sold to another entity. Mr. Donovan replied yes. Mr. Fischer inquired if the Airport is aware how long it takes to complete this assessment. Mr. Busalacchi stated Phase 1 assessment would take about three months to complete and that will determine if a Phase 2 assessment will be required. Mr. Fischer asked if the \$200,000 could be higher. Mr. Busalacchi replied probably. Mr. Fischer stated it is a large amount of money to spend and inquired if the Airport should do this work now or wait until the Airport is certain this project will move forward. Mr. Donovan stated this assessment has to be done and it will be beneficial for the Airport to address the issue now and get the assessment completed.

Mr. Mikuen stated that NEPA may take a longer period of time than what Mr. Busalacchi stated for Phase 1 assessment and recommended if the Airport can acquire a NEPA expert and asked if ESA has one, to bring them aboard on this environmental assessment.

Mr. Peoples stated this is the final requirement by the FAA, once this assessment is completed, this item can be signed off and completed. Mr. Donovan stated there are some parallel tracks that this has to be put in the federal register and advertised for 30 days. The work being done is all pre-requisites for FAA approval.

Mr. Potter asked Mr. Busalacchi since this property is a former landfill, it is likely to increase the chances of a Phase 2 assessment. Mr. Busalacchi stated the preliminary findings indicate that there is the potential for a Phase 2 assessment to be necessary. Mr. Potter asked if the Airport has an idea of what the additional cost would be for a Phase 2 assessment. Mr. Busalacchi stated he does not and to Mr. Donovan's point previously stated, this assessment would need to be done whether the Airport develops this property or sells the property that it's an unavoidable hurdle the Airport has to take on as per FAA requirements. Mr. Donovan stated the Airport will seek eligibility of grant assistant for this matter.

A motion was made by Mr. LaRusso to increase a Purchase Order for Environmental Science Associates Corporation to the amount of \$201,722, seconded by Mr. Peoples. Motion passed unanimously.

**Item A-5 Recommendation to Approve Award of a Contract to Janitorial Depot for Janitorial Supplies in the Amount Not-To-Exceed \$90,000 Annually.**

Mr. Donovan explained the Airport acquires janitorial supplies to maintain and meet all operational needs. Airport staff issued an Invitation to Bid for janitorial supplies to which 17 bidders responded and 6 bidders provided pricing. After reviewing the bid proposals, it was determined that Janitorial Depot of West Melbourne, FL provided the best pricing and value for the Airport to recommend awarding all items of the bid. The bid proposal pricing is valid for a two (2) year period, with two (2), two (2) year renewal options.

Mr. LaRusso requested a copy of the bid tabulation to review the quotes and stated the pricing received was good based on his experience.

A motion was made by Mr. LaRusso to approve the award of a Contract to Janitorial Depot for Janitorial Supplies in the amount not-to-exceed \$90,000, seconded by Mr. Peoples. Motion passed unanimously.

**Item A-6 Recommendation to award a Contract for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project to the Lowest Responsive Qualified Bidder, KCF Site Development, LLC, in the Amount of \$4,478,428.57**

Mr. Donovan explained as part of the agreement with Dassault Falcon Jet (DFJ), the Airport secured a \$6.6 million grant from the Florida Department of Transportation (FDOT) to help DFJ in its construction for the common use infrastructure of underground utilities and taxiway pavement for Project Vista. Airport staff issued an Invitation to Bid with only two bidders responding and the low bid was considerably over budget. The project was re-designed and four new bids were received and bids came in at \$2 million less, but not low enough to include the entire scope of work. Due to the schedule for this work to commence and not impact the DFJ project, Airport staff is recommending award of bid schedules B, C and D at this time to the lowest qualified bidder, KCF Site Development. The Airport's agreement with DFJ is that the Airport would cover project development costs up to the amount of funding provided by the State. Airport staff is working with various stakeholders to develop options to fund bid schedule A. The FDOT grant will cover 100 percent of the project with no local match required.

Mr. Potter inquired what time frame does the airport have to complete the work for bid schedule A. Mr. Donovan stated to not disrupt the schedule of completing this project in the next year, the airport will need to have some type of solution implemented by November of this year for schedule A.

Mr. Mikuen inquired if the airport is not able to come up with a solution for schedule A, and DFJ ends up paying, would the airport be eligible for a grant and reimburse DFJ for those costs. Mr. Donovan answered no. If the airport cannot find a solution, the cost will be significantly more for DFJ.

A motion was made by Mr. Peoples to award a Contract for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project to the lowest responsive qualified bidder, KCF Site Development, LLC, in the amount of \$4,478,428.57, seconded by Mr. LaRusso. Motion passed unanimously.

**Item A-7 Recommendation to approve a Purchase Order to AVCON, Inc., under its Continuing Services Contract, for the Professional Airside Engineering for the Construction Administration (CA) Services and Resident Project Representative (RPR) Phase of the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in an Amount Not-To-Exceed \$506,228.00.**

Mr. Donovan explained AVCON, Inc. has completed several projects with the airport and continues to do a great job. This purchase order will be for Construction Administration Services and Resident Project Representative Services for the construction phase of Project Vista site improvements. The FDOT grant will cover 100 percent of the project with no local match required.

A motion was made by Mr. Fischer to approve a Purchase Order to AVCON, Inc., under its Continuing Services Contract, for the Professional Airside Engineering for the Construction Administration (CA) Services and Resident Project Representative (RPR) Phase of the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in an amount not-to-exceed \$506,228, seconded by Mr. LaRusso. Motion passed unanimously.

**Item A-8 Recommendation to Approve a Lease Agreement with Melbourne Regional Chamber of Florida's Space Coast, Inc.**

Mr. Donovan explained the Melbourne Regional Chamber of Florida's Space Coast, Inc., sold its building in downtown Melbourne and will be leasing space in the Airport-owned building at 1135 W. NASA Boulevard. The lease options will be for two years, with two, one-year options, and entails a little over 4,300 square feet at a rate

of \$13.00 per square foot which is \$56,388 dollars annually; the Common Area Maintenance (CAM) charge is \$3.50 per square foot which is \$15,168 dollars annually. CPI adjustments will occur on the extension of each option period with a minimum of 2 percent and a maximum of 7 percent per year. A yearly rent credit of \$20,028.46 will be applied evenly per month over each year. This is an in-kind credit for the Airport's annual Chamber membership and additional sponsorship fees. The first month of the base rent and CAM will be waived as a rent abatement.

Mr. LaRusso inquired if this is the Elite Air building. Mr. Donovan replied yes.

Mr. Potter inquired when did the airport change from a 2 to 7 percent CPI increase? Mr. Busalacchi stated it was written in the lease agreements about a year ago per Mr. Potter's recommendation. Mr. Potter stated that the airport is responsible for the roof and air conditioning at 1135 W. NASA Boulevard and inquired if the airport is going to have any problems with those two items. Mr. Busalacchi stated that the airport is planning to replace the roof and the air conditioning in the next fiscal year.

A motion was made by Mr. Fischer to approve a Lease Agreement with Melbourne Regional Chamber of Florida's Space Coast, Inc., seconded by Mr. Mikuen. Motion passed unanimously.

### **Discussion Items**

#### **Item D-1 FY-25 Budget Presentation**

Mr. O'Dell presented a PowerPoint presentation that detailed key points of the FY25 budget request and responded to questions by Board members. Mr. O'Dell provided each member with a hard copy of the budget for their review.

Mr. Potter inquired if Mr. O'Dell will be presenting the budget slide presentation and details at the June board meeting. Mr. O'Dell indicated the resolution for approval would be on the agenda at next Board Meeting, but that another presentation was not planned. Mr. Donovan stated staff is hoping to accomplish the board taking the next month to review in detail the budget and if there are any questions or concerns, the board can meet with Mr. O'Dell or him to go over any concerns. At next month's board meeting, the goal would be for staff to incorporate any changes made to the budget and look for a vote of approval of the budget by the board. Mr. Potter commended staff for having the budget ready early.

Mr. Mikuen requested some additional detail on the budget which Mr. O'Dell indicated he would provide.

### **Information Items**

#### **Item I-1 Financial Update**

Mr. O'Dell presented the financial report through March 31, 2024.

Mr. Peoples inquired if the airport is fully staffed with labor being the biggest cost in the budget. Mr. Donovan stated the airport is not fully staffed and there are some positions still open in the Police and Maintenance departments.

#### **Item I-2 Operations Update**

Mr. Graham gave an update on Ellis Road. Brevard County has submitted for the second time the INFRA grant application which was due earlier this month with the help of their new consultant Kittelson & Associates. The project has a new name, "Ellis Road - Linking Aerospace, National Defense and Community". The goal of the new name change is to accurately describe the project and attract the attention it deserves. The grant amount requested is \$46.9 million for construction. Brevard County and the Space Coast Transportation Planning Organization (SCTPO) are pleased with the grant submission and are cautiously optimistic in receiving the grant. Melbourne Airport Authority, the local Chambers and consultants all wrote letters of support for the Ellis Road project. Brevard County

is also working with the Florida Department of Transportation (FDOT) to explore financing options as an alternative for the INFRA grant or other grants.

Mr. Graham gave an update on how the operations and maintenance team has been managing the airfield during several ongoing construction projects such as the DFJ Facility, Embraer Expansion, Taxiway "C" Rehabilitation, Taxiway "M" Rehabilitation and Expansion and coming soon is Taxiway "H" Relocation all happening on the north side of the airport. With the construction of the DFJ Facility, and the daily use of cranes, the airport has been closing runway 9L-27R on Monday through Friday from 7:30am till 5:00pm. This activity is expected to continue through late June. This closure has also assisted Embraer with the improvements and use of cranes on their site for the construction of a new paint hangar. Maintenance staff has also taken the opportunity of the runway closures to perform airfield maintenance such as painting markings, stormwater maintenance, and inspections in the safety areas. The Airport's goal has been to strike a balance to complete the necessary improvements while safely operating the airfield, communicating and having tenant meetings, sending email updates and having stakeholder site visits. Airport staff is working closely with the Airport Traffic Control Tower and flight schools along with other stakeholders at MLB and keeping a watchful eye over all these activities daily to make sure all these activities are kept safe and operating smoothly.

### **Item I-3 Construction Projects Update**

#### **In-Line Baggage System**

TSA is still reviewing the 100% documents. They have called for a final review and acceptance meeting the first week of June. Once TSA approval is given, a follow-up with the CmaR's will be conducted for any last-minute cost adjustments. Currently additional questions are being prepared for the CMar's to answer before the committee makes their final recommendation which will be brought to the Board for approval. This should occur at the June Board Meeting. Notice to proceed should be issued in July and start with the relocation of bag screening and offices to temporary facilities east of the current ticketing area. Due to the long lead of the new TSA scanners, they have already been released by TSA. The new expected delivery date is February 2025. With the cross-belt system design, the overall construction schedule is reduced, and completion is expected in March of 2026. This will be the second cross-belt system installed in this country and the first for use by TSA.

#### **Terminal Fire Sprinklers**

Fire alarm and fire sprinkler work continues in the existing terminal. Current sprinkler work in the administrative office area is complete. Fire sprinklers work now beginning in the Police Department and TSA office area and should be completed by the end of June with Fire Marshall acceptance in July. Next phase of work to begin in the car rental area. As each of the sprinkler's areas are completed, the fire alarm contractor is making connections to the new fire alarm system. It is expected that the old fire alarm system will be able to be removed in its entirety by the end of August.

#### **Existing Terminal Re-roofing**

Bid documents are currently out to bid. There were 22 firms that picked up plans and attended the pre-bid meeting. Bids are due June 11, 2024. Expect to bring to Board for approval in June. Project should complete by November 2024.

#### **Terminal Wayfinding Signage**

Wayfinding signs are nearing completion. Adjustments have been made and we are expecting two more signs before the project is complete.

#### **Domestic Bag Belt Replacement**

Fabrication of the new domestic bag belt continues. Expected delivery of the belt parts will begin in August. Replacement of the domestic bag belt will not begin until the current TUI season ends. It is anticipated that the replacement of the domestic bag belt will take four weeks.

### **Federal Inspection Station Escalator Replacement**

Fabrication of the new replacement escalator in the Custom's area is underway. Delivery of the new escalator is expected in January 2025. Demolition of the existing escalator will begin after the last seasonal flight from TUI. Replacement of the escalator is expected to be completed by the end of February 2025.

### **Terminal Renovation and Expansion**

Replacement of the freight lift in the back-of-house area of the concession space in the new concourse has begun. The old lift has been removed and the installation of the new one has begun. No update from the Terminal Contractor on their assessment of the skylight in the atrium or the corrective measures to be performed. A review of the skylight was performed by the contractor in the first week of May.

### **Project Vista – Dassault Falcon Jet Site Work**

The revised bids have been received. Adjustments to the plans have resulted in bids coming in \$2 million lower than the previous bids. With the Board's approval in May, utility work for the project is expected to begin immediately. The common use apron work being over the grant budget amount will be reviewed with DFJ before moving forward. Project completion is expected in July 2025.

### **Taxiway A Rehabilitation**

Design of the Taxiway A rehabilitation is complete. Pre-bid for the project was held on 5/21/24 with five firms attending. Bids are due June 13, 2024, with a recommendation for approval by the Board at the June Meeting. This is required before submitting to the FAA for discretionary funding in the fall. Due to the overall cost of the project, funding will be allocated over two years.

### **Taxiway C Rehabilitation**

Taxiway C is complete. Final striping for the project was delayed due to rain. This project was completed ahead of the June 1 deadline for the grant.

### **Taxiway M Phase 1 (Realignment) and Phase 2 (Extension)**

Taxiway M Phase 1 realignment is underway. Installation of the underground storm water pipes is complete. Base rock is complete and being prepared for asphalt. Taxiway lighting rough in continues. Clearing of the ditches for Phase 2 is complete. Due to the long lead of scheduling asphalt paving, both Phase 1 and Phase 2 will be paved at the same time which is expected the first part of July. With a 30-day cure for asphalt before striping, both projects are expected to be completed by the end of August.

Mr. Potter inquired if the airport would expect any more substantial expenditures for Taxiway A until the rehabilitation work begins. Mr. Perley stated it is potential. During the pre-bid walk-thru, airport staff did notice a chip on asphalt and an assessment was made. Staff will monitor it weekly and if we had to do the repair on the asphalt, it may cost approximately \$200 - \$300 hundred thousand before the grant is approved for the rehabilitation work. Mr. Potter asked if the airport has those funds in the budget to cover this repair. Mr. Donovan replied yes.

### **Item I-4 Business Development and Marketing Update**

Mr. Busalacchi gave an update that the T-Hangar project on the south side is now underway after permitting issues. Equipment has been mobilized and work has commenced, and the project is expected to be around 18 months and at that point we will review the existing South T-Hangars and how to approach tearing them down.

Another project that is currently underway is the paint hangar building and hangar project at Embraer. The paint hangar building should be complete by January 2025 and the hangar building project in May 2025.

Mr. Busalacchi stated Keely Leggett will be leaving MLB and starting a new position with the City of Orlando as the new press secretary for Mayor Buddy Dyer. Mr. Donovan thanked Keely for her time here at MLB and congratulated her on her new endeavors.

Mr. Fisher stated there is a change in leadership over at Sheltair and asked if that would have any impact with MLB. Mr. Busalacchi stated Milo has introduced him to the new construction manager and is working with him directly on both Sheltair projects. Todd has indicated that he will be coming down for a meeting in the next few weeks.

**Public Speakers**

Ray Liles stated with the new hangar construction taking place by Sheltair, will he be able to stay at the SE hangars until construction is complete. Mr. Donovan stated yes, he will be able to stay until the completion of the new hangars.

**Adjournment**

This meeting was adjourned by Chairman Willam Potter at 10:07 a.m.

**PREPARED BY:**

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Sandra Acevedo, Executive Assistant

**SUBMITTED BY:**

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Greg Donovan, A.A.E.  
Executive Director

**APPROVED BY ACTION OF AIRPORT AUTHORITY:**

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William C. Potter, Chairman